

Message Text

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R 031525Z FEB 76

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 2338

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

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C O N F I D E N T I A L SECTION 1 OF 2 TEGUCIGALPA 0551

E.O. 11652: XGDS-2

TAGS: ELAB, EIND, HO

SUBJECT: POSSIBLE COMMUNIST TAKEOVER OF NORTH COAST

LABOR FEDERATION

REF: 75 TEGUCIGALPA 5305 (DTG 112153Z DEC 75)

BEGIN SUMMARY: GENERALLY CREDIBLE REPORTS FROM WITHIN STANDARD FRUIT COMPANY UNION (SUTRASFCO) DEMOCRATIC ELEMENT REPORTED A JANUARY 24-25 MEETING OF COMMUNIST CONTROLLED UNIONS WITHIN THE NORTH COAST LABOR FEDERATION (FESITRANH) AT LA CEIBA. MEETING WAS A VOTE COUNTING SESSION TO DETERMINE POSSIBILITIES OF FORCING RESTRUCTURING OF FESITRANH BOARD AT APRIL CONVENTION. IF PROPOSAL FAILS COMMUNIST CONTROLLED UNIONS, INCLUDING UNITED BRANDS (TELA RAILROAD COMPANY) UNION (SITRATERCO), PLAN TO WITHDRAW FROM FESITRANH AND FORM OWN FEDERATION, WHICH WOULD UNDOUBTEDLY INCLUDE COMMUNIST CONTROLLED UNIONS WITHIN TEGUCIGALPA-BASED FEDERATION (FECESITLIH). FESITRANH PRESIDENT, CELEO GONZALEZ, MAINTAINS COMMUNISTS DO NOT HAVE

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STRENGTH TO FORCE RESTRUCTURING OF FESITRANH BOARD AND

PREFERS TO SACRIFICE SOLIDARITY TO TURNING FESITRANH OVER TO COMMUNISTS. END SUMMARY.

1. CREDIBLE SOURCES WITHIN THE DEMOCRATIC ELEMENTS OF SUTRASFCO INFORMED LABOFF AND AIFLD COUNTRY DIRECTOR DURING JANUARY 26 VISIT TO LA CEIBA THAT SEVERAL COMMUNIST CONTROLLED UNIONS WHO ARE MEMBERS OR APPLICANTS FOR MEMBERSHIP IN FESITRANH MET IN LA CEIBA JANUARY 24-25. PRINCIPAL UNIONS INVOLVED IN MEETING WERE SUTRASFCO, SITRATERCO, THE CONSTRUCTION WORKERS UNION WHICH IS CURRENTLY AN APPLICANT FOR MEMBERSHIP IN FESITRANH, THE BREWERY WORKERS UNION, AND ASSORTED LESSER COMMUNIST CONTROLLED UNIONS.

2. EMBASSY HAS NOW BEEN ABLE TO VERIFY COMMUNIST CONTROL OF SITRATERCO EXECUTIVE BOARD. WHILE PRESIDENT OF UNION, LUIS THEIBAUD IS APPARENTLY NOT A COMMUNIST, THE ORGANIZATION SECRETARY, RIGOBERTO LUNA VILLEDA WAS A PCH MEMBER. HE WAS EITHER EXPELLED OR QUIT THE HONDURAN COMMUNIST PARTY (PCH) AFTER SOME DISPUTE, BUT RETAINS CONTACT WITH THE PCH AND IS ALSO FRIENDLY WITH CHINESE-ORIENTED HONDURAN COMMUNIST PARTY. JUSTO RUFINO AYALA, SECRETARY GENERAL, AND OSCAR MARIO ESCOBAR, GRIEVANCE SECRETARY, ARE BOTH ACTIVE PCH MEMBERS. JORGE HUBERTO MORALES, RECORDING SECRETARY, IS A MEMBER-CANDIDATE OF THE PCH.

3. PRIMARY PURPOSE OF THE MEETING IN LA CEIBA WAS TO PLAN STRATEGY AND COUNT VOTES FOR LATE APRIL FESITRANH CONVENTION. STRATEGY WORKED OUT CALLS FOR COMMUNIST UNIONS TO ATTEMPT TO AMEND CONVENTION AGENDA TO INCLUDE AN ITEM CALLING FOR "RESTRUCTURING" (READ REPLACEMENT OF CURRENT EXECUTIVE COMMITTEE) OF FESITRANH. THIS PLAN OF ACTION WOULD SEEM TO INDICATE THAT THE COMMUNISTS EITHER THINK THAT THEY HAVE SUFFICIENT VOTES TO WIN OR THAT THEY CAN CREATE ENOUGH CONFUSION AT THE CONVENTION TO WIN. HOWEVER, SHOULD THEY EITHER FAIL TO GET THE "RESTRUCTURING" ISSUE ON THE AGENDA OR SHOULD THE ISSUE ITSELF BE DEFEATED, THEY PLAN A WALK-OUT FROM THE CONVENTION AND THE CREATION OF THEIR OWN FEDERATION, WHICH WOULD UNDOUBTEDLY INCLUDE THE COMMUNIST CONTROLLED UNIONS WITHIN FESITRANH. THE POSSIBILITY THAT THEY MIGHT SEEK RECOURSE TO THE MINISTRY OF

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LABOR IN AN ATTEMPT TO FORCE A "RESTRUCTURING" OF THE FESITRANH PRIOR TO FORMING THEIR OWN FEDERATION CANNOT BE EXCLUDED. WHILE THE LABMIN HAS PREVIOUSLY INDICATED TO LABOFF THAT ANY CHANGE IN THE CURRENT EXECUTIVE COMMITTEE AT AN INTERIM CONVENTION WOULD BE ILLEGAL, JUST WHAT POSITION HE MIGHT TAKE IS IMPOSSIBLE TO PREDICT, PARTICULARLY GIVEN HIS VACILLATION ON THE RECENT SITRATERCO CHANGE OF LEADERSHIP.

4. SHOULD THE COMMUNISTS SUCCEED IN THEIR MOVE TO "RE-STRUCTURE" THE FESITRANH, THEIR NEXT MOVE WOULD CLEARLY BE AGAINST THE CONFEDERATION OF HONDURAN WORKERS (CTH) WITHIN WHICH FESITRANH CONTROLS TWO-THIRDS OF THE VOTES. THIS WOULD ALSO AID THEIR LONG-TIME DRIVE TO TAKE OVER FECESTITLIH. SOME "RESTRUCTURING" ATTEMPT AT THE CONVENTION OF THE NATIONAL ASSOCIATION OF HONDURAN CAMPESINOS (ANACH) COULD ALSO BE EXPECTED. ANACH IS AN AFFILIATE OF FESITRANH. BEGIN COMMENT: AN ATTEMPTED TAKE-OVER OF ANACH BY COMMUNIST CONTROLLED ELEMENTS WOULD STAND A GOOD CHANCE OF SUCCESS IF SUCH A MOVE WERE BACKED BY A COMMUNIST DOMINATED FESITRANH, GIVEN ANACH'S DEPENDENCE ON FESITRANH FOR SERVICES AND FUNDS. ADDITIONALLY, THE CURRENT LEADERSHIP OF THE ANACH IS NOT SUFFICIENTLY POLITICALLY SOPHISTICATED TO FEND OFF A WELL-ORGANIZED TAKE-OVER ATTEMPT. END COMMENT.

5. IN A CONVERSATION WITH LABOFF ON JANUARY 27, FESITRANH PRESIDENT, CELEO GONZALEZ, INDICATED THAT THE COMMUNISTS DID NOT HAVE THE VOTES TO FORCE A RESTRUCTURING OF THE FESITRANH. HOWEVER, HE SAID THAT THERE WAS NOTHING HE COULD DO TO PREVENT A WALK-OUT BY THE COMMUNIST UNIONS TO FORM THEIR OWN FEDERATION. WHILE ALL OF THE FESITRANH MEMBER UNIONS MUST HAVE A CONVENTION TO VOTE ON WITHDRAWAL FROM FESITRANH, HE INDICATED THAT THIS WOULD BE LARGELY PRO-FORMA AND WOULD NOT PRESENT AN OPPORTUNITY TO PREVENT THE WALK-OUT. HE PREFERS TO SEE THE LABOR MOVEMENT SPLIT, WITH A SUBSEQUENT REDUCTION IN HIS OWN INFLUENCE, THAN TO TURN FESITRANH OVER TO THE COMMUNISTS. HE INDICATED THAT HE HAD GONE AS FAR AS HE COULD GO IN COMPROMISING WITH THE COMMUNIST UNIONS IN ORDER TO MAINTAIN LABOR SOLIDARITY. HE DID NOT SEEM TO FIND THE REPORTS OF THE PLANNED COMMUNIST STRATEGY ALL THAT SURPRISING. WHEN QUESTIONED AS TO THE POSSIBLE EFFECT
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ON FESITRANH INFLUENCE NATIONALLY AND INTERNAL FINANCES, HE STATED THAT THE FESITRANH HAD STARTED WITH NOTHING AND COULD TIGHTEN ITS BELT AGAIN, IF NECESSARY. HIS PRIMARY CONCERN SEEMS TO BE WITH MAINTAINING THE GOOD NAME OF THE FESITRANH AS A DEMOCRATIC TRADE UNION FEDERATION, FEELING THE NAME ALONE WOULD ALLOW THE ORGANIZATION TO SURVIVE AND RECOUP ITS LOSSES. HE ALSO INDICATED THAT HE DID NOT THINK THAT THE RANK AND FILE OF SITRATERCO, A FOUNDING MEMBER OF FESITRANH, WOULD LONG SUPPORT ITS PRESENT LEADERSHIP, PARTICULARLY IF THEY WITHDRAW FROM FESITRANH. ON THE OTHER HAND, HE DID NOT EXPECT MUCH OPPOSITION TO THE MOVE WITHIN SUTRASFCO. HE ALSO STATED THAT HE FELT ANY MOVE TO EXPEL THE COMMUNIST UNIONS FROM THE FESITRANH WOULD BE A MISTAKE IN THAT IT WOULD PUT THE ONUS ON THE DEMOCRATIC UNION MOVEMENT FOR HAVING BROKEN LABOR SOLIDARITY. THE IDEA HAS BEEN RAISED

BY SOME OF THE LEADERS OF THE DEMOCRATIC GROUP WITHIN
SUTRASFCO.

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6. OTHERS WITHIN THE DEMOCRATIC TRADE UNION MOVEMENT ARE CONSIDERABLY LESS SANGUINE ABOUT THE INABILITY OF THE COMMUNISTS TO "RESTRUCTURE" THE FESITRANH. SOME, PARTICULARLY THOSE WITHIN SITRATERCO AND SUTRASFCO WHO ARE SPENDING THEIR OWN FUNDS IN THE EFFORT TO RECAPTURE THOSE KEY UNIONS FOR THE DEMOCRATIC FORCES, FEEL THAT THE VOTE WILL BE EXTREMELY CLOSE. THEY FEEL THAT IT WILL REQUIRE EXPERT POLITICAL PREPARATION PRIOR TO THE CONVENTION IN ORDER TO DEFEAT THE COMMUNISTS. SEVERAL DEMOCRATIC UNION TYPES HAVE BEEN OPENLY CRITICAL OF GONZALEZ FOR WHAT THEY VIEW AS HIS LACK OF WILLINGNESS TO CONFRONT THE COMMUNISTS HEAD-ON, THOUGH THEY SAY THAT RECENTLY HE HAS SHOWN MORE DYNAMISM IN THIS REGARD. HOWEVER, THEY FEAR THAT IT MAY WELL BE TOO LATE. THEY ALSO VIEW THE POSSIBILITY OF THE WITHDRAWAL OF THE COMMUNIST UNIONS FROM THE FEDERATION AS MAKING THEIR OWN EFFORT TO RECAPTURE SITRATERCO AND SUTRASFCO MORE DIFFICULT. ONE PROMINENT UNION FUNCTIONARY REPORTEDLY LESS

SANGUINE THAN GONZALEZ IS ANA RUTH ZUNIGA, DIRECTOR OF THE
TRADE UNION EDUCATION INSITUTUTE OF THE FESITRANH, WHO IS
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ALSO GONZALEZ' MISTRESS.

7. CTH SECRETARY-GENERAL, VICTOR U #
PILES, CONCURS WITH
GONZALEZ THAT THE COMMUNISTS LACK THE ABILITY TO "RESTRUC-
TURE" FESITRANH, BUT BASES THIS MORE ON THE DEMOCRATIC
FORCES' CONTROL OF THE AGENDA RATHER THAN ON A VOTE COUNT.
HE WOULD APPEAR TO VIEW THE THREAT IN MORE ACUTE TERMS
THAN DOES GONZALEZ.

8. STANDARD FRUIT'S LABOR RELATIONS MANAGER, A HONDURAN
NATIONAL, CONFIRMED THE HIGHLY POLITICAL NATURE OF THE
CURRENT SUTRASFCO LEADERSHIP. HE STATED THAT IT HAS BEEN
SO INVOLVED WITH POLITICAL ENDS, THAT IT HAS NOT FOUND TIME
TO TALK WITH THE COMPANY ON SEVERAL ISSUES OF IMPORTANCE TO
IT. HE FURTHER SAID THAT THEY HAVE VIRTUALLY IGNORED BASIC
UNION ISSUES. HE BELIEVES THAT IF THE COMMUNISTS SUCCEEDED
IN TAKING OVER FESTIRANH THAT THEY WILL USE THAT AS A BASE
TO TRY TO FORCE THE TWO FRUIT COMPANIES OUT OF HONDURAS.

9. BEGIN COMMENT: IF THE COMMUNIST CONTROLLED UNIONS FOLLOW
THEIR REPORTED STRATEGY FOR THE APRIL FESITRANH CONVENTION,
THE DEMOCRATIC TRADE UNION MOVEMENT IN HONDURAS IS IN FOR A
MAJOR BLOW, WHETHER DUE TO A SUCCESSFUL "RESTRUCTURING" OF
THE FESITRANH OR A COMMUNIST WALK-OUT. THE FORMER WOULD
OPEN THE DOOR FOR THE COMMUNISTS TO GAIN CONTROL OF THE
VAST BULK OF THE ORGANIZED LABOR MOVEMENT WITHIN HONDURAS,
A PROCESS THAT COULD PROBABLY BE COMPLETED WITHIN A YEAR OR
TWO AT THE OUTSIDE. AFTER THE FESITRANH, THERE IS NO REALLY
STRONG LABOR GROUPING WITHIN THE COUNTRY TO STOP THE DRIVE.
THE CTH HAS VIRTUANTY NO INDEPENDENT POWER AND THE LARGEST
SINGLE GROUPING OUTSIDE COMMUNIST HANDS, ANACH, SUFFERS FROM
THE PROBLEMS DESCRIBED ABOVE. ON THE OTHER HAND, A WALK-OUT
BY THE COMMUNISTS WOULD DEPRIVE THE FESITRANH OF ITS TWO
SINGLE MOST POWERFUL AND WEALTHY UNIONS AS WELL AS A NUMBER
OF OTHERS. FORMATION OF A COMMUNIST CONTROLLED FEDERATION
WOULD DEPRIVE FECESITL H OF UP TO FIFTY PERCENT OF ITS

AFFILIATED UNIONS. IN OUR VIEW, THE FORMATION OF A COMMUNISTS
FEDERATION WOULD MOST LIKELY DOOM THE EFFORTS OF THE DEMO-
CRATIC FORCES WITHIN SITRATERCO AND SUTRASFCO. IT WOULD
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EFFECTIVELY CUT BOTH OFF FROM THE SOURCE OF SUCH AID AS THEY HAVE BEEN RECEIVING AND PARTICULARLY WITHIN SUTRASFCO, THE DEMOCRATIC FORCES HAVE COME CLOSE TO EXHAUSTING THE PERSONAL RESOURCES FROM WHICH THEY HAVE LARGELY BEEN OPERATING.

10. WHILE GONZALEZ IS KNOWN TO BE DOING HIS OWN VOTE COUNTING AND PLANNING FOR THE CONVENTION, IT WOULD APPEAR THAT EVEN AFTER THE SHOCK OF THE LOSS OF SITRATERCO LAST FALL, THAT HE IS OVER-CONFIDENT AT THIS STAGE OF THE GAME. WITHOUT WANTING TO MINIMIZE GONZALEZ' POLITICAL SAVVY AFTER TWENTY-PLUS YEARS IN THE UNION MOVEMENT, HE AT TIMES GIVES THE IMPRESSION THAT HE SIMPLY REFUSES TO ACCEPT THE POSSIBILITY THAT THE TRADE UNION STRUCTURE THAT HE HAD DEDICATED HIS LIFE TO IS REALLY IN SERIOUS DANGER OF A COMMUNIST TAKE-OVER. WHILE HE IS NOW WILLING TO SACRIFICE UNION SOLIDARITY TO PRESERVE A DEMOCRATIC FESITRANH, HE MAY HAVE COME TO THAT DECISION TOO LATE TO ACCOMPLISH HIS GOAL. WHILE TOO MUCH HAS PROBABLY DEPENDED ON ONE MAN, AS IN THE CASE OF OSCAR GALE WITH SITRATERCO, GONZALEZ' FAILURE TO PROVIDE DECISIVE LEADERSHIP AGAINST THE COMMUNISTS SOME TIME AGO HAS LEAD TO THE CRATION OF SEVERAL INDEPENDENT DEMOCRATIC GROUPS, WHICH WHILE WORKING WELL, HAVE LACKED OVERALL LADERSHIP AND COODINATION. WHETHER SUFFICIENT LEADERSHIP, COORDINATION AND FINANCING CAN BE DEVELOPED BETWEEN NOW AND THE CONVENTION IS AN OPEN QUESTION. IT IS STILL TOO EARLY TO CALL THE OUTCOME OF THIS ONE, BUT IT NONETHELESS LOOKS LIKE A BLEAK YEAR FOR DEMOCRATIC TRADE UNIONISM IN HONDURAS. GOH REACTION AT THIS POINT IS ALSO UNPREDICTABLE. END COMMENT.
SANCHEZ

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